

## REMARKS

Reconsideration and allowance of the above-referenced application are respectfully requested.

Claims 1-11, 13-15, 17, 19, 21 and 22 are pending. Claims 1 and 22 have been amended. Basis for the amendment to claim 1 can be found in various parts of the specification, including at pages 8-9, Table 1 and page 15, lines 9-12. Basis for the amendment to claim 22 can be found in various parts of the specification, including at page 4, line 17 to page 5, line 2 and pages 8-9, Table 1. The specification has been amended to clarify the reference to claim 6 of the '620 patent, thereby overcoming the objection set forth in the Office Action.

The present invention is directed to a novel computer-implemented business method of spreading the risk associated with ownership and transfers of ownership of intellectual property by insuring the value of the intellectual property. Prior known insurance for intellectual property generally is intended to cover patent enforcement fees or patent defense fees. In a particularly preferred form of the present invention, the intellectual property is valued in the context of a transaction such as a purchase, sale, or loan. This embodiment of the present invention combines (1) a "due diligence" analysis of an intellectual property portfolio with (2) an underwriting process supporting an offer to insure the value of the intellectual property.

Claims 1-11, 13-15, 17, 19 and 21 are rejected under 35 U.S.C. Sec 101 as being directed to non-statutory subject matter. The Office Action alleges that these claims (1) recite an abstract idea that is not within the technological arts, (2) do not effect or affect

technology, and are not effected by technology, and (3) do not produce a concrete and tangible result. Reconsideration is requested.

Claim 1 has been amended to even more clearly indicate that the method of the invention provides an offer for financial protection in the form of an insurance policy, and that the offer is generated by a computer. The claimed method is believed to be within the technological arts because (1) it is directed to a computer-generated offer for an insurance policy, not to an abstract idea, (2a) it affects technology in that it provides a means of spreading the risk of an investment in intellectual property, (2b) it is effected by technology because it uses computer technology in its practice, and (3) it produces a concrete and tangible result, namely, an offer for financial protection in the form of an insurance policy. For an example of an issued patent with claims directed to a method of providing financial protection in the form of an insurance policy, the Examiner's attention is directed to U.S. Patent No. 6,470,321. Reconsideration is requested.

Claims 2-11, 13-15, 17, 19 and 21 depend from claim 1 and are believed to be patentable for the same reasons as claim 1. Reconsideration is requested.

Claim 22 is rejected under 35 U.S.C. Sec 101 as being directed to non-statutory subject matter. The Office Action alleges that this claim (1) recites an abstract idea that is not within the technological arts, (2) does not effect or affect technology, and is not effected by technology, and (3) does not produce a concrete and tangible result. Reconsideration is requested.

Claim 22 has been amended to recite the step of "employing a data processing system to assign a value to the patent right ...". The claimed method is believed to be

within the technological arts because (1) it is directed to a method of providing financial protection in the form of an insurance policy, not to an abstract idea, (2a) it affects technology in that it provides a means of spreading the risk of an investment in intellectual property, (2b) it is effected by technology because it uses computer technology in its practice, and (3) it produces a concrete and tangible result, namely, financial protection in the form of an insurance policy. Reconsideration is requested.

Claims 1-11, 13-15, 17, 19 and 21 are rejected under 35 U.S.C. Sec. 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. The Office Action states that Claim 1 recites determining a value of at least one intellectual property asset, but the specification does not describe these steps in a sufficiently concrete manner as to enable one skilled in the art to which the application pertains to use the invention. In response, the Examiner's attention is directed to Example 4, in which a patent application is valued based upon a reduced cost of doing business by practicing the technology, and a greater market share resulting from lower costs, resulting in an increase in gross profit. Furthermore, as indicated at page 12, line 21 to page 13, line 5, other techniques of placing a monetary value on the intellectual property assets can be employed. Dependent claims 2-11, 13-15, 17, 19 and 21 are believed to be patentable for the same reasons as claim 1.

Reconsideration is requested.

Claim 22 is rejected under 35 U.S.C. Sec. 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to enable one

skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. The Office Action states that Claim 22 recites assigning a value to a patent right and estimating the likelihood of an unexpected reduction in value of the patent right, but that the specification does not describe these steps in a sufficiently concrete manner as to enable one skilled in the art to which the application pertains to use the invention. In response, the Examiner's attention is directed to Example 4, in which a future patent is valued based upon a reduced cost of doing business by practicing the technology, and a greater market share resulting from lower costs, resulting in an increase in gross profit. Furthermore, as indicated at page 12, lines 21-30, other techniques of placing a monetary value on the intellectual property assets using a data processing system can be employed.

In view of the above, it is believed that this application is in condition for allowance, and such a Notice is respectfully solicited.

Respectfully submitted,

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Date: January 9, 2003

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Encls: Replacement page 15 of specification  
Replacement sheets of pending claims  
Marked-up copies of specification page 15, and claims 1 and 22

**APPENDIX 1 - MARKED UP PAGES OF SPECIFICATION, AND  
SET OF CLAIMS SHOWING REVISIONS TO CLAIMS 1 AND 22**

What is claimed is:

1. A method of providing an offer for financial protection, in the form of an insurance policy, against an unexpected change in value of an intellectual property asset, comprising:

- (a). obtaining a description of at least one intellectual property asset of a first party;
- (b). determining a value of said at least one intellectual property asset;
- (c). determining a cost of providing compensation for an unexpected change in value of said at least one intellectual property asset; and
- (d). computer-generating an offer [offering] to provide compensation for at least a portion of any unexpected change in value of said at least one intellectual property asset to a person with an interest in the first party.

2. A method according to claim 1, further comprising:

- (e) obtaining a first fee in exchange for offering to provide compensation.

3. A method according to claim 1, wherein step (d) includes providing an evaluation of said at least one intellectual property asset.

4. A method according to claim 2, wherein step (d) includes providing an evaluation of said at least one intellectual property asset.

5. A method according to claim 1, wherein steps (a) - (d) are executed by, or on behalf of, an offeror, further comprising:

- (f) accepting the offer to provide compensation,
- step (f) being executed by said person with an interest in the first party.

6. A method according to claim 5, wherein step (f) includes paying a second fee to the offeror.

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7. A method according to claim 2, wherein steps (a) - (e) are executed by, or on behalf of, an offeror, further comprising:

(f) accepting the offer to provide compensation,  
step (f) being executed by said person with an interest in the first party.

8. A method according to claim 7, wherein step (f) includes paying a second fee to the offeror.

9. A method according to claim 1, wherein said value includes at least one future value of said at least one intellectual property asset, and said unexpected change in value is determined at the time for which said at least one future value was determined.

10. A method according to claim 9, wherein said value further includes a current value of said at least one intellectual property asset.

11. A method according to claim 1, wherein said intellectual property asset includes at least one member selected from the group consisting of patent rights, patent application rights, trademark rights, service mark rights, copyright rights, trade secret rights and trade dress rights.

13. A method according to claim 1, wherein said person with an interest in the first party includes at least one member selected from the group consisting of an officer of the first party, a director of the first party, a prospective purchaser of said at least one intellectual property asset, an officer of the prospective purchaser, and a director of the prospective purchaser.

14. A method according to claim 1, wherein said person with an interest in the first party includes at least one member selected from the group consisting of a prospective purchaser of said at least one intellectual property asset, an officer of the prospective purchaser, and a director of the prospective purchaser.

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15. A method according to claim 1, wherein said unexpected change in value is based upon a legal determination of at least one of invalidity and unenforceability of said at least one intellectual property asset.

17. A method according to claim 1, wherein step (b) includes analyzing the validity of said at least one intellectual property asset.

19. A method according to claim 1, wherein said at least one intellectual property asset includes at least one patent right.

21. A method according to claim 1, wherein the offer to provide compensation is made to said party with an interest in the first party in connection with transfer of ownership of said at least one intellectual property asset to a second party.

22. A method of providing financial protection, in the form of an insurance policy, [insuring] against [a risk of] an unexpected reduction in value of a patent right, comprising:

(a). employing a data processing system to assign [assigning] a value to the patent right while the patent right is owned by a first party;

(b). estimating the likelihood of an unexpected reduction in value of the patent right; and

(c). agreeing to provide compensation to a person with an interest in the first party for at least a portion of any unexpected reduction in value of the patent right during a particular period of time after receipt of an insurance premium, the insurance premium being paid in connection with a transfer of ownership of the patent right.

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